

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

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)  
Investigation by the Department on its own )  
Motion as to the propriety of the rates and )  
charges set forth in M.D.T.E. No. 17, filed with )  
the Department on May 5, 2000 and June 14, 2000 ) D.T.E. 98-57, Phase III  
to become effective October 2, 2000 by New )  
England Telephone and Telegraph Company )  
d/b/a Bell Atlantic - Massachusetts )  
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VERIZON MASSACHUSETTS' MOTION TO DEFER ISSUES

Verizon Massachusetts ("Verizon MA") hereby requests that the Department defer the investigation of outstanding cost/rate issues originally raised in D.T.E. 98-57, Phase III, to its new cost proceeding in D.T.E. 01-20. As identified in the Department's April 19, 2001, Procedural Memo in D.T.E. 98-57, Phase III, those cost/rate issues concern loop conditioning for CSA-compliant loops and line sharing collocation augmentation. Those costs were filed with supporting documentation as part of Verizon MA's direct case in D.T.E. 01-20, filed May 8, 2001, and the Department should address the cost issues in that proceeding rather than here. The basis for Verizon MA's request is set forth below.

1. In its Orders in D.T.E. 98-57, Phase III, the Department directed Verizon MA to develop line sharing specific charges for the augment application and engineering services. Phase III Order, at 116 (September 28, 2000); Phase III-A Reconsideration Order, at 25 (January 8, 2001). The Department also directed Verizon MA to develop cost-based rates for conditioning loops that meet Carrier Serving Area ("CSA") standards. Phase III-B Clarification Order, at 2 (February 21, 2001). Until the Department sets permanent rates for these services, Verizon MA is charging its proposed rates on an interim basis, subject to true-up. Phase III-A Reconsideration Order, at 25 (January 8, 2001); Phase III-B Clarification Order, at 2 (February 21, 2001).

2. On January 12, 2001, the Department initiated a new proceeding, D.T.E. 01-20, to examine the following: (1) new unbundled network element ("UNE") rates based on Total Element Long-Run Incremental Costs ("TELRIC"); and (2) new avoided cost studies for calculating the wholesale discount. On May 8, 2001, Verizon MA filed its

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new TELRIC studies in D.T.E. 01-20. Those studies contain, inter alia, Verizon MA's loop conditioning costs and line sharing collocation augmentation costs, as requested in compliance with D.T.E. 98-57, Phase III.

3. Verizon MA's loop conditioning costs and line sharing collocation augmentation costs were developed in the same manner using certain common inputs as other costs included in the TELRIC filing. (1) In its investigation in D.T.E. 01-20, the Department will examine Verizon MA's cost methodology, inputs, factors, and assumptions. It is neither efficient nor reasonable for the Department to duplicate those efforts in D.T.E. 98-57, Phase III, for loop conditioning costs and line sharing collocation augmentation costs. Accordingly, the Department should not piece-part its investigation, but rather should review those costs in the context of D.T.E. 01-20, along with all other TELRIC-based costs/rates.

4. In general, the costs for loop conditioning and line sharing collocation augments contained in Verizon MA's May 8th filing are lower than those filed by Verizon MA in D.T.E. 98-57, Phase III. Verizon MA is willing to apply those lower rates on an interim basis subject to the same true-up requirements set forth in D.T.E. 98-57, Phase III. Phase III-A Reconsideration Order, at 25 (January 8, 2001); Phase II-B Clarification Order, at 2 (February 21, 2001). This ensures that parties receive the benefit of lower rates until final costs and rates are determined in D.T.E. 01-20 and is consistent with Department's intent in D.T.E. 98-57, Phase III.

WHEREFORE, for the foregoing reasons, the Department should grant this Motion and defer the above issues to its TELRIC proceeding in D.T.E. 01-20 to be investigated with all other cost-related issues.

Respectfully submitted,

VERIZON MASSACHUSETTS

Its Attorney,

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1 See e.g., Non-Recurring Cost ("NRC") Testimony of Bruce F. Meacham, at 9; NRC Exhibit M, Page 4 of 4; Wholesale NRC Model, Cost Summary (Pages 1-5), Forward-Looking Work Activities (67 Engineering Work Order; 68 Aerial Bridged Tap Removal - One Occurrence; 69 Aerial Bridged Tap Removal - Multiple Occurrences; 72 Underground Bridged Tap Removal - One Occurrence; 73 Underground Bridged Tap Removal - Multiple Occurrences).